REMARKS

I. <u>Introduction</u>

In response to the Office Action dated March 19, 2010 and the Advisory Action dated June 3, 2010, Applicants have amended independent claims 1 and 9 to further clarify the subject matter of the present disclosure. Support for the amendment may be found, for example, in paragraph [0047] of the specification. No new matter has been added.

A Request for Continued Examination (RCE) is being filed concurrently with this Amendment.

Applicants appreciate the granting of a telephonic interview with the Examiner on July 7, 2010. During the interview, Applicants discussed the § 102 rejections of claims 1 and 9 with the Examiner, and the Examiner suggested an amendment to claims 1 and 9 which appeared to overcome the rejection over Watson. Applicants have made these suggested amendments.

Applicants respectfully submit that all pending claims are patentable over the cited prior art for the reasons set forth below.

II. The Rejection Of Claims 1, 3-7, 9 And 11-15 Under 35 U.S.C. § 102 or 103

Claims 1, 4, 6, 9 and 12 stand rejected under 35 U.S.C. § 102(b) as being anticipated by Watson et al. ("Synthesis of a novel magnetic photocatalyst by direct deposition of nanosized TiO2 crystals onto a magnetic core). Claims 3, 5, 11 and 13 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Watson; and claims 7, 14 and 15 as being unpatentable over Watson in view of Ueta et al. (US 2004/0126609). Applicants respectfully traverse these rejections for at least the following reasons.

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With regard to the present disclosure, amended independent claims 1 and 9 each recite, in part, a soft magnetic material comprising a lower film surrounding a surface of said metal magnetic particle and being formed of an oxide of a nonferrous metal satisfying a composition range where oxygen is less than oxygen of a stoichiometry composition of a compound constituted of an element and oxygen, that constitute the lower film; and an insulating upper film surrounding a surface of said lower film and including oxygen, wherein said nonferrous metal includes at least one amorphous metal selected from the group consisting of aluminum, chromium, and silicon.

One feature of the present claims is that the nonferrous metal is amorphous, and is selected from the group consisting of aluminum, chromium, and silicon.

It was alleged that Watson discloses a soft magnetic material composition of claims 1 and 9. However, claims 1 and 9 have been amended, as suggested by the Examiner, to only include aluminum, chromium and silicon as components. In contrast, Watson merely comprises titanium. Additionally, the titanium of Watson is not amorphous. Accordingly, Watson fails to teach or suggest all of the limitations of amended independent claims 1 and 9 of the present disclosure. Moreover, Ueta does not, and is not relied upon to remedy this deficiency.

Anticipation under 35 U.S.C. § 102 requires that each element of the claim in issue be found, either expressly described or under principles of inherency, in a single prior art reference, *Kalman v. Kimberly-Clark Corp.*, 713 F.2d 760, 218 USPQ 781 (Fed. Cir. 1983). At a minimum, Watson fails to disclose the limitations of independent claims 1 and 9 for the reasons set forth above. Accordingly, claims 1 and 9 are allowable and patentable over the cited prior art. Reconsideration and withdrawal of the rejection of claims 1 and 9 is respectfully solicited.

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III. All Dependent Claims Are Allowable Because The Independent Claim From Which They Depend Is Allowable

Under Federal Circuit guidelines, a dependent claim is nonobvious if the independent

claim upon which it depends is allowable because all the limitations of the independent claim are

contained in the dependent claims. Hartness International Inc. v. Simplimatic Engineering Co.,

819 F.2d at 1100, 1108 (Fed. Cir. 1987). Accordingly, as claims 1 and 9 are patentable for the

reasons set forth above, it is respectfully submitted that all pending dependent claims are also in

condition for allowance.

IV. Conclusion

Having responded to all open issues set forth in the Office Action, it is respectfully

submitted that all claims are in condition for allowance.

To the extent necessary, a petition for an extension of time under 37 C.F.R. 1.136 is

hereby made. Please charge any shortage in fees due in connection with the filing of this paper,

including extension of time fees, to Deposit Account 500417 and please credit any excess fees to

such deposit account.

Respectfully submitted,

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